

The complaint

Mr A complains that Revolut Ltd won't refund money he lost when he fell victim to a scam.

A representative who I will call "M" complains on behalf of Mr A.

What happened

The background of this complaint is well known to both parties so I'll only refer to the key events here.

In 2021 Mr A fell victim to a scam when he sent money to what he believed to be a legitimate cryptocurrency investment. Between October 2021 and October 2022 he made multiple payments totalling over £17,000 into cryptocurrency accounts in his own name, before sending the money to the scammer.

Mr A realised he'd been scammed after being told he would need to pay fees in order to withdraw any funds. He complained to Revolut who said the correct procedures were followed and that while they tried, they were unable to recover Mr A's funds.

M referred Mr A's complaint to our service on his behalf. Our Investigator was of the opinion that while most of the payments wouldn't have triggered anything on Revolut's systems for various reasons, the final payment was significantly larger and should have prompted intervention from Revolut. However, while she acknowledged Revolut didn't provide any warnings about this payment, she was satisfied that even if they had, it wouldn't have uncovered the scam as Mr A had been able to withdraw from the investment and had also been referred by a friend which would have assured him the investment was genuine.

M, on behalf of Mr A didn't accept our Investigator's view and so the complaint has been passed to me.

What I've decided – and why

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.

I'm very aware that I've summarised this complaint briefly, in less detail than has been provided, and in my own words. No discourtesy is intended by this. Instead, I've focussed on what I think is the heart of the matter here. If there's something I've not mentioned, it isn't because I've ignored it. I haven't. I'm satisfied I don't need to comment on every individual point or argument to be able to reach what I think is the right outcome. Our rules allow me to do this. This simply reflects the informal nature of our service as a free alternative to the courts.

Having considered everything, I agree with the Investigator and have decided not to uphold this complaint. I know this will come as a disappointment to Mr A, so I will explain why I have reached my decision.

It is clear in this case that Mr A has lost a lot of money. And while I do empathise with him, this doesn't automatically entitle him to a refund from Revolut. It would only be fair for me to tell Revolut to reimburse Mr A if I thought they reasonably ought to have prevented the payments, or they unreasonably hindered any recovery of the funds.

Under the Payment Services Regulations (PSRs) and the terms of the account, Mr A is presumed liable for any loss in the first instance, in circumstances where he authorises a payment. That said, in line with good industry practice, Revolut should take proactive steps to identify and help prevent transactions that appear sufficiently unusual, uncharacteristic or suspicious that could involve fraud or be the result of a scam.

However, it is important to note that there are many payments made by customers each day and so it wouldn't be realistic or reasonable to expect a bank to stop and check every payment. There is a balance to be struck between identifying payments that could potentially be fraudulent and minimising any disruption to genuine and legitimate payments.

Here, Mr A's account was opened in February 2020. Revolut have explained that the transfers were authorised by Mr A, acknowledging that he knew the payees each time a warning was given. Some of the card payments were also authorised by Mr A using 3D Secure (3DS), which is a feature used to protect customers against fraud.

Having considered all of the payments made, most of them were relatively low in value and not out of character for Mr A given his general account activity. They were spread out over the course of a year and because of this, I don't think they were so unusual or suspicious whereby I would've expected Revolut to have had sufficient reason to suspect Mr A might be making them in relation to a scam, therefore warranting additional checks before processing them.

However, I can see that Revolut did provide Mr A with warnings for some of the payments where they were being made to a new payee. Mr A acknowledged the warnings and went ahead with those payments.

I do note the last payment was higher though, and not in line with the amounts that had been sent previously. M also maintain this is the case for two other payments that were made previously, and where multiple payments were made on the same day. Because of this, I agree that Revolut should have been on notice of the risk of fraud and therefore could have intervened. However, when thinking about whether any intervention from Revolut would have made a difference, I don't think it would have done, and I will explain why.

At the time the disputed payments were made, it would have been expected of Revolut to provide a general warning for the amounts / account activity being considered here. While M maintain that Revolut should have provided cryptocurrency scam warnings and asked Mr A specific probing questions about the payments he was making, given the amounts and account activity in question, I don't agree that level of intervention would have been warranted.

I can see that Mr A was introduced to the investment opportunity by a friend and he was told that others had been able to withdraw funds. This therefore suggests it was likely he would have trusted what he was being told. I can also see that Mr A himself received a number of returns throughout the duration of the scam, which also would have provided reassurance that it was legitimate.

Mr A says all correspondence between him and the scammer took place on a website and via online calls, meaning there are no chat transcripts or emails to show what was said by the scammer while the payments were being made. All I can see is that Mr A acted under the belief that he was receiving guidance from a legitimate investment "broker" who persuaded him to transfer the funds – suggesting it was likely that he was being led by them.

But in any event, I believe it more likely than not, that even if Revolut had provided general warnings to Mr A, they wouldn't have resonated with his circumstances enough to uncover the scam.

Overall, I haven't seen anything for me to suggest that any intervention from Revolut would have stopped Mr A from making the payments to the scammer, and so, I won't be asking them to reimburse the funds lost.

Recovery

I also need to consider whether Revolut did enough after being advised of the scam, to try and recover the funds.

In relation to the payments made by transfer, Revolut said they made an attempt to freeze and retrieve the funds, however, weren't able to. Unfortunately, as Mr A paid the money to cryptocurrency wallets in his name and then moved the money on to the scammer, any attempt at recovery was hindered. I say this as Revolut would only be able to attempt recovery from where they sent the payments, and we know that money had since been forwarded on to the scammer. If it had remained, Mr A could have returned it himself.

The chargeback process is also relevant here, as Mr A made some of the payments by card. The chargeback scheme is a voluntary agreement between card providers and card issuers who set the scheme rules and is not enforced by law.

A chargeback isn't guaranteed to result in a refund, there needs to be a right to a chargeback under the scheme rules and under those rules the merchant or merchant acquirer can defend a chargeback if it doesn't agree with the request. In this case, the payments were made to legitimate cryptocurrency accounts and therefore as the service had been provided, there was no prospect of recovering the funds via chargeback.

Overall, while I strongly empathise with Mr A and what he has been through, I don't think Revolut are responsible for the losses he has suffered. So, while I know this will come as a disappointment, I don't think Revolut have acted unfairly by not refunding him.

My final decision

My final decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr A to accept or reject my decision before 24 October 2025.

Danielle Padden
Ombudsman